

**MINUTES
REGULAR MEETING
UTILITY SERVICE BOARD
DECEMBER 20, 2004**

The Regular Meeting of the Utility Service Board of the City of Jasper, Indiana, was held in the Council Chambers of City Hall in Jasper at 7:00 PM on Monday, December 20, 2004.

The meeting was called to order at 7 PM by Chairman Ken Sendelweck who presided.

UPON CALL OF THE ROLL, THE FOLLOWING WERE PRESENT:

Ken Sendelweck – Chairman
Greg A. Krodel – Vice Chairman
Edward J. Kreilein – Secretary
Michael A. Schwenk – Electric Commissioner
Jeffrey S. Theising – Water Commissioner
Mike Harder – Wastewater Commissioner
Dennis L. Hasenour – Gas Commissioner

ALSO PRESENT:

Jerry Schitter – Electric Distribution Manager
Windell Toby – Electric Generation Manager
Thomas A. Lents – Wastewater Manager
Michael A. Oeding – Gas & Water Manager
Kenneth R. Schultz – Business Manager
Sandy Hemmerlein – City Attorney

PLEDGE OF ALLEGIANCE (A-19)

Chairman Ken Sendelweck led the Pledge of Allegiance.

STACK EMISSIONS TESTING – ELECTRIC GENERATION (A-30)

Sandy Hemmerlein stated that Windell Toby had requested three quotes, but only received one. She opened the quote and read it aloud as follows:

- | | | |
|----|--------------------------------------|------------|
| 1. | Air Analysis, Inc.
Plainfield, IN | \$3,800.00 |
|----|--------------------------------------|------------|

Included was a signed non-collusion affidavit.

Ed Kreilein made a motion to accept the quote of \$3,800.00 from Air Analysis, Inc., pending legal review. Mike Schwenk seconded the motion. Motion approved, 7-0.

QUOTE OPENING: TURBINE GENERATOR OVERHAUL (A-60)

Sandy Hemmerlein opened the quotes and read them aloud. She stated that Turbine Generator Maintenance from Cape Coral, FL submitted a letter saying that they are not interested in bidding.

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|----|---|---|
| 1. | Power Generation Service, Inc.
Anoka, MN | Hourly rate - \$128.00 standard
\$192.00 overtime |
| 2. | GE Energy
Cincinnati, OH | Hourly rate - \$190.00 standard – Field Engineer
\$285.00 overtime – Field Engineer

\$226.00 Specialty Field Engineer
\$339.00 overtime – Specialty Field Eng. |
| 3. | Turbo Care | Hourly rate - \$150.00 – Technical Field Assts.
\$225.00 – overtime – Tech. Field Assts
\$300.00 – Sundays & Holidays |

Mike Schwenk made a motion for Windell Toby to take the quotes under advisement and report back at the next meeting. Mike Harder seconded the motion. Motion approved, 7-0.

APPROVAL OF MINUTES (A-148)

Chairman Ken Sendelweck presented the minutes of the November 15, 2004 meeting and there being no corrections or amendments, asked for a motion to accept. Dennis Hasenour made a motion to approve the minutes of the November meeting as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

ACKERMAN OIL – REQUEST TO VACATE RAPHYL ROAD (A-157)

Kenny Brosmer, representing Ackerman Oil, came before the Board to request the vacation of Raphyl Road and a 20 ft. public utility and drainage easement on either side of the road in the Ackerman Commercial Park.

Brosmer presented a map showing the area. He pointed out a wastewater lift station at the end of Raphyl Road. There is also aerial electric, water, and gas service in the easements.

Brosmer said the land will be replatted and access to the lift station and a new easement will be provided south of the new Lot #1.

Brosmer said the Ackerman's were aware the utility relocations and removals would be at their expense.

The utility managers stated they had no problem with the vacation.

Ed Kreilein made a motion to recommend to the City Council to vacate Raphyl Road and the 20 ft. easements on both sides of the road, provided the utility relocations and removal of the old lines are

done to satisfaction and at the developers expense. Jeff Theising seconded the motion. Motion approved, 7-0.

VACATION OF ALLEY – OLD JASPER MIDDLE SCHOOL (A-285)

Arthur Nordhoff, Attorney for the Greater Jasper Consolidated Schools, came before the Board to request the vacation of a dedicated, unused alley that runs from 6th St. to 7th St. and through the old Jasper Middle School.

Mr. Nordhoff presented a map showing the area.

Mr. Nordhoff said to the best of his knowledge there are no utilities above or below the alley.

Mike Schwenk made a motion to recommend to the City Council to vacate the alley as presented. Greg Krodell seconded the motion. Motion approved, 7-0.

2005 CAPITAL EXPENDITURE PLAN – ELECTRIC DISTRIBUTION (A-341)

Jerry Schitter briefly reviewed his 2005 Capital Expenditure Plan and entertained questions from the Board.

Mike Schwenk made a motion to accept the 2005 Capital Expenditure Plan for the Electric Distribution Department. Ed Kreilein seconded the motion. Motion approved, 7-0.

ROOF REPAIR (A-455)

Jerry Schitter stated the 60'x 60' roof on the mechanics garage needs to be replaced as soon as possible. He said there are various leaks in the roof due to the 15-year old rubber roof pulling away from the building and the deterioration of the sub-roof.

He said Hedinger Roofing looked at the roof and recommended replacing the entire rubber roof, along with installing new insulation, for an estimated cost of \$24,000. The metal decking is still in good shape.

Schitter asked for Board approval to seek quotes for the roof repair.

Mike Schwenk made a motion to allow Jerry Schitter to seek quotes for a new roof. Dennis Hasenour seconded the motion. Motion approved, 7-0.

2005 CAPITAL EXPENDITURE PLAN – ELECTRIC GENERATION (A-523)

Windell Toby briefly reviewed his 2005 Capital Expenditure Plan and entertained questions from the Board.

Jeff Theising made a motion to accept the 2005 Capital Expenditure Plan for the Electric Generation Department. Mike Harder seconded the motion. Motion approved, 7-0.

ASH CONTRACT WITH ESSROC CEMENT CO. (A-551)

Windell Toby asked for approval on a 3-year contract, effective December 15, 2004, with Essroc Cement Co. to take the ash from the Power Plant.

The cost per ton will remain the same at \$7.75 per ton, including a \$1.00 tipping fee.

Mike Schwenk made a motion to approve the 3-year contract for ash hauling with Essroc Cement Co. for \$7.75 per ton. Mike Harder seconded the motion. Motion approved, 7-0.

ELECTRIC PLANNING COMMITTEE REPORT (A-565)

Mike Schwenk, Chairman of the Electric Planning Committee, stated there had not been a meeting to report on.

2005 CAPITAL EXPENDITURE PLAN – GAS & WATER (A-566)

Mike Oeding briefly reviewed his 2005 Capital Expenditure Plan and entertained questions from the Board.

Mike Harder made a motion to accept the 2005 Capital Expenditure Plan for the Gas & Water Departments. Ed Kreilein seconded the motion. Motion approved, 7-0.

APPROVE SPECS FOR NEWTON ST. TANK PROJECT (A-639)

Richard Burch of Midwestern Engineers came before the Board to give a brief update on the Newton St. Tank Project specifications. Sandy Hemmerlein and Mike Oeding have both reviewed the specs.

Mr. Burch stated there have been five changes made since last month.

1. The wage determination has been incorporated into the specs.
2. Legal modifications have been made.
3. The repair section has increased substantially due to added details of requirements so the contractor has a better understanding of what is required.
4. Lettering and the emblem on the tank.
5. Advertisement for bids – has been incorporated to received bids on January 17, 2005.

Ed Kreilein made a motion to approve the specs for the Newton St. Tank Project and to allow Mike Oeding and Midwestern Engineers to seek bids. Dennis Hasenour seconded the motion. Motion approved, 7-0.

REQUEST FOR EDUCATIONAL EXPENSE REIMBURSEMENT (A-724)

Mike Oeding asked for Board approval to reimburse Mike Gould for two classes in the amount of \$2,944.00.

Jeff Theising made a motion to reimburse Mike Gould a total of \$2,944.00, contingent upon passing the classes. Ed Kreilein seconded the motion. Motion approved, 7-0.

RESULTS OF CHEMICAL QUOTES (A-740)

Mike Oeding presented a comparison (see attached) of the chemical quotes that were opened at the November meeting and briefly reviewed the low bidders and/or most responsive bidders as follows:

Liquid Alum – GAC Chemical
Lime – Mississippi Lime
Carbon – Ulrich Chemical
Chlorine – JCI Jones Chemicals
Hydro Fluosilicic Acid – Chemical Resources
Sulfuric Acid – Brenntag
Cairox Potassium – Ulrich
Caustic Soda – Brenntag
Algicide – SAL Chemical
SPD-CL20N – SAL Chemical
Sodium Bisulfite – SAL Chemical

Ed Kreilein made a motion to allow Mike Oeding to proceed with awarding the chemical contracts as presented. Mike Schwenk seconded the motion. Motion approved, 7-0.

BEAVER LAKE (A-766)

Mike Oeding reported the valve on Beaver Lake was opened on December 16th to start the winter draw down. It will be left open until the lake reaches a certain level, at which time the valve will be closed to avoid de-watering the discharge tower.

Corrective repairs are also being done during the draw down.

PIPELINE SAFETY MEETING (B-3)

Mike Oeding stated that one of the requirements of pipeline safety regulations is that they have to attend an annual meeting with contractors.

Holey Moley will host this year's meeting on January 6, 2005 at the K of C and it will provide the necessary certification for all attendees.

GAS PLANNING COMMITTEE REPORT (B-58)

Dennis Hasenour, Chairman of the Gas Planning Committee, stated there had not been a meeting to report on.

WATER PLANNING COMMITTEE REPORT (B-59)

Jeff Theising, Chairman of the Water Planning Committee, stated there had not been a meeting to report on.

2005 CAPITAL EXPENDITURE PLAN – WASTEWATER (B-61)

Tom Lents briefly reviewed his 2005 Capital Expenditure Plan and entertained questions from the Board.

Dennis Hasenour made a motion to accept the 2005 Capital Expenditure Plan for the Wastewater Department. Jeff Theising seconded the motion. Motion approved, 7-0.

CHANGES TO ORDINANCES (B-269)

Tom Lents presented changes to ordinances that are due to EPA and IDEM changes to the Wastewater Industrial Pretreatment Program.

Ed Kreilein made a motion to recommend to the City Council to change the ordinances as presented. Jeff Theising seconded the motion. Motion approved, 7-0.

WASTEWATER PLANNING COMMITTEE REPORT (B-290)

Mike Harder, Chairman of the Wastewater Planning Committee, stated there had not been a meeting to report on.

2005 CAPITAL EXPENDITURE PLAN – BUSINESS OFFICE (B-292)

Ken Schultz briefly reviewed his 2005 Capital Expenditure Plan and entertained questions from the Board.

Mike Schwenk made a motion to accept the 2005 Capital Expenditure Plan for the Utility Business Office. Mike Harder seconded the motion. Motion approved, 7-0.

ANNUAL WRITE-OFF OF BAD DEBTS (B-357)

Ken Schultz reported that this year's write-off amount is \$15,522.55 in bad debts that were sent to our collection agency with no results in 2003 or 2004, plus, \$802.92 in discharged bankruptcies, for a total 2004 write-off amount of \$16,325.47, representing .054% of an estimated \$30M in sales for 2004. Last year's write-off amount was \$20,500.00.

Ed Kreilein made a motion to approve the request to write-off the 2004 bad debts as presented. Mike Schwenk seconded the motion. Motion approved, 7-0.

FINANCE COMMITTEE REPORT & PRESENTATION OF CLAIM DOCKET (B-390)

Ed Kreilein reported the Finance Committee had met and reviewed the claims on the Claim Docket.

Also presented was a claim on behalf of Harrison & Moberly, LLP in the amount of \$8,074.33, representing legal services; and, on behalf of Commonwealth Engineers in the amount of \$5,405.19, representing engineering services relating to the Titan liquidated damages issue for the Wastewater Project. SRF and BIF funds have been exhausted, therefore after Utility Service Board approval, the above referenced claims will be paid from Wastewater funds.

The Finance Committee recommended approval of the claims as presented.

Jeff Theising made a motion to approve the claims as presented. Dennis Hasenour seconded the motion. Motion approved, 7-0.

GAS PRICES (B-409)

Councilman Butch Schitter asked Mike Oeding if he has made a decision on the gas price at this time. Oeding replied that he is still watching the prices, which are down, but he has not acted yet.

Councilman Schitter wished everyone a Merry Christmas and Happy New Year.

WATER MAIN BREAK (B-421)

Chairman Sendelweck expressed his gratitude to the City employees that helped in repairing a severe water main break in the Holy Family area on Sunday.

LETTER FROM CITIZEN (B-428)

Chairman Sendelweck read a letter from a citizen to the Mayor commending City Departments and its employees.

CITY OF JASPER WEB SITE (B-440)

Chairman Sendelweck reminded everyone that the launching of the City web site would take place on January 6th.

FAREWELL (B-448)

Chairman Sendelweck expressed his thanks to the utility managers, Board members, and City Council members, as it is his last Utility Service Board meeting as Chairman.

Also, Chairman Sendelweck expressed his thanks to Denny Hasenour for serving as a Utility Service Board member. Hasenour is relocating outside of the City limits and therefore will no longer serve on the Utility Service Board.

There being no further business to come before the Board, the meeting was adjourned at 8:37 PM upon motion by Dennis Hasenour and second by Ed Kreilein. Motion approved, 7-0.

Attest: _____
Secretary

Chairman